

Shale Myths

Shale Gas in Europe



Myth #1 – European Shales only exist at great depths

Shales in Europe are found at a wide variety of depths, numerous shales go from outcrop to various depths just like in the U.S. The Fayetteville produces from ~1,200m and Haynesville at 4,000m. In Europe, Shell is testing the Alum shale in Sweden at ~900m while we are targeting shales in the Baltic Basin between 2,500m and 4,500m.

Myth #2 – Water supply in Europe will hinder shale gas development

In most shale plays 70% of frac water can be re-used, drastically reducing the amount of water needed. In addition, where ground water is not present technology improvements now make it possible to use water from brackish aquifers.



Myth #3 – Europe does not have adequate rigs and services

Not only are there enough rigs to drill the science wells, rigs can be built to European specifications within 9-12 months. Europe has excellent engineering and skilled workers that will take the U.S. knowledge, and likely improve upon it, with rigs being built as needed. Subcontractors are already gearing up for the anticipated level of activity.



Shale Myths Continued

Myth #4 – Operations Footprint will be the same in Europe as in US shale plays

Shale is generally developed utilizing horizontal wells and drilling technology continues to increase the lateral lengths that can be drilled. Lack of small lease boundaries in Europe means long laterals can be drilled in multiple directions from single surface locations. As many as 8 to 12 wells can be drilled from each pad to drain gas from a large area.



Myth #5 – Fracing of shale contaminates fresh water supplies

Productive shales are found depths much deeper than fresh water aquifers. Fresh water aquifers are generally found at depths that are 1,500 to 2,500m+ shallower than the productive shales. In addition when wells are drilled multiple casing strings are set, and the shallowest ones isolate the fresh water aquifers.



Myth #6 – Well costs will make European shale plays uneconomic

Until horizontal shale gas wells are drilled in each prospective basin, it is impossible to know whether any individual project will be economic or not. Low gas prices in the U.S. will ensure continued acceleration of technological advances, which will increase efficiency and improve economics even further.



760 Paseo Camarillo, Suite 350 - Camarillo, California 93010
Phone 805-484-3613 - Fax 805-484-9649